Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending February 14, 2014

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	190-210	200.13	-5.87
400-500	190-218	204.17	-3.33
500-600	184-213	193.58	-3.42
600-700	175-195	184.70	+0.95
700-800	162-181	171.30	+2.36
800-900	152-169	158.75	-1.00
900+	148-162	153.88	+5.78

Heifers

	Range	Average	Change from last week
300-400	175-187	181.63	+3.13
400-500	170-194	180.94	+1.77
500-600	165-188	175.00	+0.50
600-700	156-173	162.67	+0.31
700-800	142-160	151.20	-3.72
800+	135-153	144.75	+0.62

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

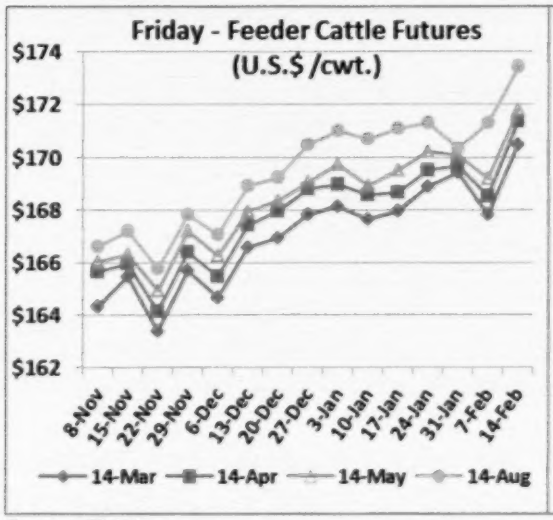
Canfax reported that a total of 15,884 head of cattle were sold in Saskatchewan this week, down from 20,309 head marketed the previous week.

Average prices for feeder steers ranged between $5.87 per cwt lower to $5.78 per cwt higher, from the previous week. The light weight feeder steers below 600 lb. had most of the losses with the 300-400 lb. weight category losing the most at $5.87 per cwt. The heavy weight feeder steers in the 900+ lb. weight category increased the most at $5.78 per cwt. Light weight feeder steer prices in Saskatchewan were negative compared to Alberta prices which were relatively steady.

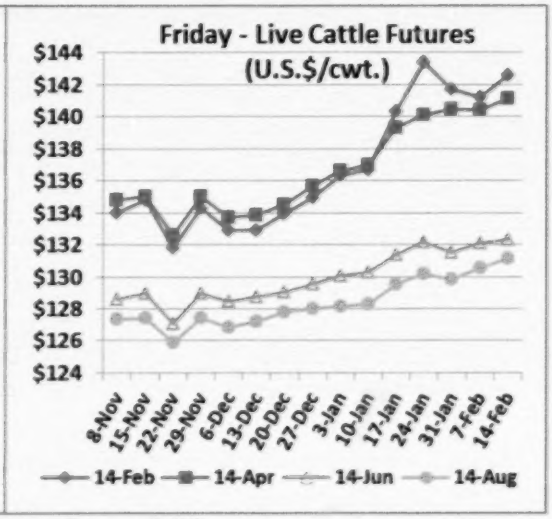
Feeder heifer prices were mostly higher over the week. Feeder heifer prices ranged from $3.72 per cwt lower to $3.13 per cwt higher, from the previous week. The 700-800 lb. weight category had the only losses over the week at $3.72 per cwt. The light weight categories were all positive with the biggest gains of $3.13 per cwt in the 300-400 lb. weight category.

The Saskatchewan 750 lb. feeder steer basis compared to the February 13, 2014 U.S. feeder cattle index at US$171.58 per cwt was calculated at -$17.15 per cwt (US$171.58/0.9105 - $171.30), a basis narrowing of $1.16 per cwt from -$18.31 per cwt on February 6, 2014.

Feeder cattle futures prices moved higher over the week. The March to August 2014 contracts increased between US$2.150 per cwt and US$2.825 per cwt, week-over-week. The March contract settled the week at US$170.475 per cwt while the August contract settled the week at US$173.450 per cwt. The August contract price continues to be above the nearby contract prices.



Source: CME



Source: CME

Live cattle futures prices edged higher over the week with the February to August 2014 contracts increasing between US$0.200 per cwt and US$1.400 per cwt. The nearby February contract increased the most at US$1.400 per cwt and settled the week at US$142.600 per cwt. The August contract increased US$0.575 per cwt and settled the week at US$131.150 per cwt. The nearby contract prices continue to be priced well above the June and August contract prices.

Iowa cash corn prices were unchanged while the nearby corn futures were slightly higher over the week. The Iowa cash price as of Friday was US$4.31 per bushel, unchanged from the previous Friday. The March corn futures contract was one cent higher to settle Friday at US$4.452 per bushel while the May contract was less than one cent higher to settle Friday at US$4.506 per bushel.

Fed and Non-fed Cattle

	February 14	February 7	Change
Cows (Alberta)			
D1,2 Live	88.42	83.33	+5.09
D3 Live	79.83	73.20	+6.63
Rail	175-180	164-169	+11.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were significantly higher over the week with D1,2 slaughter cows increasing $5.09 per cwt to average $88.42 per cwt, while D3 slaughter cows increased $6.63 per cwt to average $79.83 per cwt.

Fed cattle prices in Western Canada were lower over the week. Fed steers in Alberta were reported to average $135.09 per cwt, down $3.05 per cwt from $138.14 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at a US$141.89 per cwt, up US$1.27 per cwt from US$140.62 per cwt the previous week, and up 15.5 per cent from US$122.81 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$224.90 per cwt, down slightly from US$224.96 per cwt the previous week, but up 14.9 per cent from US$195.76 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$208.83 per cwt, down US$7.47 per cwt or 3.5 per cent from US$216.30 per cwt the previous week, but up 14.1 per cent from US$183.07 per cwt the same week a year ago. Beef production for the week averaged 431.9 million lb., down 3.7 per cent from 448.4 million lb. the previous week, and down 9.4 per cent from 476.7 million lb. the same week a year ago.

United States beef exports continued to improve in 2013. U.S. beef plus beef variety exports in December 2013 were 102.3 million metric tons, up 12.6 per cent from 90.8 million metric tons from December 2012. By dollar value, December 2013 exports were $551.0 million dollars, up 19.5 per cent from $461.0 million dollars in December 2012. For 2013, total U.S. beef plus beef variety exports were 1.173 billion metric tons and $6.157 billion dollars, up 3.4 per cent by volume and 11.7 per cent by dollar value compared to 2012. In 2013, the U.S. had large beef export increases to Hong Kong, Japan and Taiwan, but significant declines to Russia (-98 per cent) and Vietnam.

On February 10th, the USDA released the February World Agricultural Supply and Demand Estimates (WASDE). The February USDA WASDE report estimated that U.S. red meat and poultry production was 93.326 billion lb. for 2013, a slight increase from the January estimates, and a 0.4 per cent increase from 2012 production. Total U.S. meat production for 2014 was projected to be 93.287 billion lb., slightly lower than the January projections, and now slightly lower than 2013 production. Beef production for 2014 was revised slightly higher from the January estimates, but still 1.367 billion lb. less than 2013 production. Pork production estimates for 2014 were reduced 0.7 per cent from the January estimates due to the Porcine Epidemic Diarrhea virus in the U.S., but still estimated to be higher than 2013. United States meat production for 2014 is projected to increase for pork (+1.0%), broilers (+2.8%), and turkey (+0.8%), but decrease for beef (-5.3%), from 2013 production.

Friday Price Information

Product		This Week (February 14)	Week of: (February 7)
Canadian Dollar (closing rate US$)		.9105	.9059
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		171.58	169.63
Seven-day Weighted Average FC Index Wt. (lb.)		747	758
Live Fed 5-area Steer Price (US$ per cwt)		141.89	140.62
Feed Grains			
Barley	Lethbridge ($/tonne)	170.00	160.00
	($ per bu.)	3.70	3.48
Corn	Iowa State Average (CDN$/tonne)*	186.35	187.30
	(US$ per bu.)	4.31	4.31
	Omaha, NE (CDN$/tonne)*	185.92	188.17
	(US$ per bu.)	4.30	4.33
Futures			
	March Corn (US$ per bu.)	4.45¼	4.44¼
	May Corn (US$ per bu.)	4.50¾	4.50
	February Live Cattle (US$ per cwt)	142.600	141.200
	April Live Cattle (US$ per cwt)	141.100	140.400
	March Feeder Cattle (US$ per cwt)	170.475	167.800
	May Feeder Cattle (US$ per cwt)	171.350	169.200

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

Note: Cow-calf producers in Saskatchewan are reminded to check with their local market operators regarding current market conditions for non-fed cattle. Producers are also reminded that old, thin cows have a very low market value. The non-fed prices quoted each week do not represent the market price for these animals. As an alternative to transporting these animals, you may want to check with your local veterinarian or the nearest Canadian Food Inspection Agency (CFIA) office to see if these animals are eligible for testing as part of the bovine spongiform encephalopathy (BSE) surveillance program. Producers receive $75 from the CFIA for each eligible sample submitted. The goal of this program is to prove that the BSE control measures implemented in Canada are working.

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